

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

JERRY HUDDLESTON, on behalf of
himself and all similarly situated
employees,

Plaintiffs,

v.

Case No.: 4:19-cv-12364
Hon. Matthew F. Leitman

SLOAN ENVIRONMENTAL
SERVICES, INC., a Michigan
corporation, and ERIC SLOAN, an
individual,

Defendants.

ORDER APPROVING FAIR LABOR STANDARDS ACT SETTLEMENT

Court approval is required for the settlement of claims for back wages or liquidated damages under the Fair Labor Standards Act (“FLSA”), 29 U.S.C. § 201, *et. seq. Lynn’s Food Stores, Inc. v. United States*, 679 F.2d 1350, 1354 (11th Cir. 1982). “Other than a section 216(c) payment supervised by the Department of Labor, there is only one context in which compromises of FLSA back wage or liquidated damage claims may be allowed: a stipulated judgment entered by a court which has determined that a settlement proposed by an employer and employees, in a suit brought by employees under the FLSA, is a fair and reasonable res[o]lution of a bona fide dispute over FLSA provisions.” *Ibid.*; *see also D.A. Schulte, Inc. v. Gangi*, 328

U.S. 108, 113 n.8 (1946). Therefore, “[w]hen employees bring a private action for back wages under the FLSA, and present to the district court a proposed settlement, the district court may enter a stipulated judgment after scrutinizing the settlement for fairness.” *Id.* at 1353. If the settlement is a reasonable compromise over issues that are actually in dispute, the Court may approve the settlement “in order to promote the policy of encouraging settlement of litigation.” *Id.* at 1354.

Here, upon the parties’ filing of a Joint Motion for Approval of FLSA Settlement, the Court conducted a fairness hearing on September 23, 2020 to determine whether the parties’ settlement agreement should be given final approval. The Court finds that, as a result of contested litigation, a bona fide dispute was resolved between the parties and a fair and reasonable settlement was reached.

Accordingly, for the reasons stated on the record on September 23, 2020, IT IS HEREBY ORDERED that the parties’ Joint Motion for Approval of FLSA Settlement is GRANTED;

IT IS FURTHER ORDERED that the plaintiffs’ respective settlement amounts of \$5,000 to Mr. Huddleston and \$5,250 to Mr. Czekaj are APPROVED.

IT IS FURTHER ORDERED that plaintiffs’ counsel’s requested fees in the amount of \$16,000, plus reimbursement of expenses in the amount of \$670, are APPROVED.

IT IS FURTHER ORDERED that this action is DISMISSED WITH PREJUDICE; provided, however, that this Court retains jurisdiction over all matters related to the parties' settlement agreement.

IT IS SO ORDERED:

s/Matthew F. Leitman

MATTHEW F. LEITMAN

UNITED STATES DISTRICT JUDGE

Dated: September 24, 2020

I hereby certify that a copy of the foregoing document was served upon the parties and/or counsel of record on September 24, 2020, by electronic means and/or ordinary mail.

s/Holly A. Monda

Case Manager

(810) 341-9764